

the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The NASD has prepared summaries, set forth in Sections (A), (B), and (C) below, of the most significant aspects of such statements.

*(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change*

Section 32(c) currently requires all parties to serve on each other copies of documents in their possession they intend to present at the hearing and to identify witnesses they intend to present at the hearing not less than 10 calendar days prior to the first scheduled hearing date. Parties often request additional discovery as a result of information obtained through the exchange of documents. These requests create a significant burden on the NASD's Arbitration Department, which currently must respond in a short period of time to numerous requests for additional discovery that arise from the exchange of documents intended to be used by the parties at the hearing. These requests also create a significant burden on the arbitrators and the parties. Accordingly, the NASD is proposing to amend Section 32(c) of the Code to increase the amount of time before a hearing where the parties are required to exchange documents from 10 to 20 days.<sup>2</sup> The proposed rule change is intended to reduce the burden to the Arbitration Department, arbitrators and the parties in responding to last minute discovery requests by increasing the time for exchanging pre-hearing memoranda.

The NASD believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act<sup>3</sup> in that increasing the time for exchange of documents prior to arbitration hearing will facilitate the arbitration process by providing a more reasonable time frame in which to address last minute discovery requests and by reducing the burdens on the forum staff, arbitrators and the parties in dealing with such requests.

*(B) Self-Regulatory Organization's Statement on Burden on Competition*

The NASD does not believe that the proposed rule change will result in any

burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended.

*(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others*

Written comments were neither solicited nor received.

**III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

A. by order approve such proposed rule change, or

B. institute proceedings to determine whether the proposed rule change should be disapproved.

**IV. Solicitation of Comments**

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street NW., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the NASD. All submissions should refer to the file number in the caption above and should be submitted by [insert date 21 days from the date of publication].

For the Commission, by the Division of Market Regulation, pursuant to delegated authority, 17 CFR 200.30-3(a)(12).

**Margaret H. McFarland,**  
Deputy Secretary.

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[Release No. 34-35373; File No. SR-NYSE-94-42]

**Self-Regulatory Organizations; New York Stock Exchange, Inc.; Order Granting Approval to Proposed Rule Change Relating to the Mailing of Interim Financial Statements to Shareholders**

February 14, 1995.

On December 1, 1994, the New York Stock Exchange, Inc. ("NYSE" or "Exchange") submitted to the Securities and Exchange Commission ("SEC" or "Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change to require corporations that distribute interim reports to shareholders to distribute such reports to both registered and beneficial shareholders.

The proposed rule change was published for comment in Securities Exchange Act Release No. 35092 (December 12, 1994), 59 FR 65554 (December 20, 1994). No comments were received on the proposal.

Currently, the NYSE requires listed companies to publish interim earnings statements as press reports, but does not require that such statements also be sent to shareholders. The rule change to paragraph 203.02 of the NYSE's Listing Company Manual will continue to make the distribution of interim reports to shareholders voluntary, but will require that corporations choosing to distribute interim reports to shareholders must distribute the reports to both registered and beneficial shareholders.

The NYSE proposal is the product of a review by various industry groups, including the American Society of Corporate Secretaries and the Securities Industry Association, of listed companies' dissemination of interim earnings reports to shareholders. The groups have been attempting to achieve some uniformity among listed companies in the handling of interim earnings reports. Presently, while some listed companies distribute interim reports to both record and beneficial shareholders, some listed companies only send interim reports to record shareholders, and some do not send interim reports to any shareholders. The cost of providing interim reports to beneficial shareholders has been identified as a factor that discourages listed companies from making a full distribution of interim listed companies from making a full distribution of interim reports. Because broker-dealers that hold investors' securities in the

<sup>2</sup> The Securities Industry Conference on Arbitration approved the proposed rule change as an amendment to the Uniform Code of Arbitration at its meeting on October 21, 1994.

<sup>3</sup> 15 U.S.C. 78o-3.

<sup>1</sup> 15 U.S.C. 78s(b)(1) (1988).

<sup>2</sup> CFR 240.19b-4 (1993).

broker-dealers' own name ("street-name") charge issuers a fee for distributing interim reports to beneficial shareholders, many listed companies choose not to distribute them.

The industry review considered the cost of requiring interim reports to be mailed to all shareholders, particularly where securities are held in "street-name." In this regard, while the industry groups have not reached an agreement with respect to the fees charged issuers to distribute interim reports to shareholders, they have reached agreement on the need to submit reports to registered and beneficial shareholders. This agreement is reflected in the NYSE's rule change.

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, and, in particular, with the requirements of Section 6(b).<sup>3</sup> In particular, the Commission believes the proposal is consistent with the Section 6(b)(5) requirements that the rules of an exchange be designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public.

Although the Commission does not require public companies to distribute interim reports to shareholders,<sup>4</sup> it believes that it is appropriate for the NYSE to improve the distribution by its listed companies of interim reports to shareholders. The NYSE proposal will accomplish this by ensuring equal treatment of record and beneficial shareholders in the distribution of reports. In addition, the NYSE's rule change reflects the results of the compromise reached by the various industry groups with regard to distribution of interim reports. The Commission believes the NYSE's adoption of this industry policy should help to create uniformity in the practices of NYSE-listed companies

with respect to their distribution of interim financial reports.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,<sup>5</sup> that the proposed rule change (SR-NYSE-94-42) is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>6</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 95-4159 Filed 2-17-95; 8:45 am]

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## SMALL BUSINESS ADMINISTRATION

### [Declaration of Disaster Loan Area #2761]

#### Washington, Declaration of Disaster Loan Area; Amendment #1

The above-numbered Declaration is hereby amended to include Pierce County in the State of Washington as a contiguous county as a result of damages caused by heavy rains and flooding which occurred throughout December 1994.

All other information remains the same, i.e., the termination date for filing applications for physical damage is March 30, 1995, and for economic injury the deadline is October 27, 1995.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008.)

Dated: February 10, 1995.

**Philip Lader,**

*Administrator.*

[FR Doc. 95-4080 Filed 2-17-95; 8:45 am]

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## Public Meeting

The National Small Business Development Center Advisory Board will hold a public meeting on March 7, 1995, from 9 AM through 4 PM, at U.S. Small Business Administration, Office of Small Business Development Centers Conference Room, 4th Floor, 409 3rd Street, SW., Washington, DC 20416.

The purpose of the meeting is to discuss such matters as may be presented by Advisory Board members, staff of the SBA, or others present.

For further information, write or call Mary Ann Holl, SBA, 4th Floor, 409 3rd Street, SW., Washington, DC 20416, telephone 202/205-7302.

**Dorothy A. Overall,**

*Director, Office of Advisory Councils.*

[FR Doc. 95-4081 Filed 2-17-95; 8:45 am]

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## DEPARTMENT OF TRANSPORTATION

### Office of the Secretary

[OST Docket 50125]

#### Department of Transportation Proposed Environmental Justice Strategy

**AGENCIES:** Office of the Secretary; Departmental Office of Civil Rights and Office of the Assistant Secretary for Transportation Policy; DOT.

**ACTION:** Request for comment on U.S. Department of Transportation proposed environmental justice strategy.

**SUMMARY:** Executive Order 12898, signed by President Clinton on February 11, 1994, directs each Federal agency to develop a strategy to address environmental justice concerns in its programs, policies and regulations. The thrust of the Executive Order is to avoid disproportionately high and adverse impacts on minority and low-income populations with respect to human health and the environment.

The Department of Transportation (DOT) has prepared a proposed environmental justice strategy. The proposed strategy describes the approach we are considering to achieve environmental justice objectives throughout the Department. To help us formulate the final strategy, we are soliciting comments from a broad range of organizations and individuals with an interest in environmental justice and transportation matters.

**DATES:** Comments are requested by March 1, 1995. Late-filed comments will be considered to the extent practicable.

**ADDRESSES:** Comments should be sent to Docket Clerk, Docket 50125, Department of Transportation, 400 7th Street, SW., Room PL 401, Washington, DC 20590.

To facilitate consideration of the comments, commenters are requested to file six copies of each submission.

Comments will be available for inspection at this address from 9 a.m. to 5 p.m., Monday through Friday.

Commenters who wish the Department to acknowledge receipt of their comments should include a stamped, self-addressed postcard with their comments. The Docket Clerk will date-stamp the postcard and mail it back to the commenter.

**FOR FURTHER INFORMATION CONTACT:** Ira Laster, Jr., Office of Environment, Energy, and Safety, Office of the Assistant Secretary for Transportation Policy, telephone (202) 366-4859, or Alyce Boyd-Stewart, Departmental Office of Civil Rights, telephone (202) 366-9366, U.S. Department of

<sup>3</sup> 15 U.S.C. § 78f(b) (1988).

<sup>4</sup> The interim reports that are the subject of the NYSE's rule change are not the quarterly financial reports required to be filed with the Commission on Form 10-Q pursuant to the Commission's authority under Sections 13(a) and 15(d) of the Securities Exchange Act of 1934. See 15 U.S.C. §§ 78m(a) and 78o(d) (1988). The reports are voluntarily prepared and published by companies as part of their shareholder relations activities.

<sup>5</sup> 15 U.S.C. 78s(b)(2) (1988).

<sup>6</sup> 17 CFR 200.30-3(a)(12) (1993).